

(continued)

3. The FY 2000 revenues collected for the contracted counties were used to estimate the revenues that would be lost to the state under this bill. This amount was reduced in half because it is expected that about half of the counties currently contracted will not become certified under this bill due to the need to add staff.
4. The state would collect and use funds that were used to reimburse the non-contracted counties for site evaluation inspections, \$9,006 (included in the (72,066) in grants) in FY2000. See Technical Note #1.
5. The loss of revenue would result in the need to reduce state staff and expenses. The proposed reduction in expenditures is based on FY 2000 actual expenditures with a reduction of -2.00 FTE and 22% (22%=2 of 9.50 current FTE) of the currently proposed operating costs for the program (\$150,448 X 22% = \$33,098). If more counties elect to be certified, this would reduce state staff and expenses even further.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
FTE	(2.00)	(2.00)
<u>Expenditures:</u>		
Personal Services	(80,152)	(80,152)
Operating Expenses	(33,098)	(33,098)
Grants	<u>(72,066)</u>	<u>(72,066)</u>
TOTAL	(\$185,316)	(\$185,316)
<u>Funding:</u>		
State Special Revenue (02)	(185,316)	(185,316)
<u>Revenues:</u>		
State Special Revenue (02)	(\$185,316)	(\$185,316)
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	0	0

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This bill will increase revenue to the counties for subdivision reviews for the certified counties and create a corresponding decrease in revenue for the state program that provides technical support to the counties. The reimbursements for non-certified counties to perform site evaluations would be eliminated. Each county would have to decide if they wanted to be certified and add staff with the expertise (engineers, sanitarians and hydrologists) sufficient to perform the reviews.

LONG-RANGE IMPACTS:

If the counties continue to increase the number of subdivisions reviewed, the state would receive less revenue and would reassess its staffing needs and decrease the state FTE. The state would need to maintain expertise for reviewing subdivisions in the counties where the county is not certified. The subdivision review fees would need to be increased at the state level to maintain funding for the necessary review staff and technical expertise (engineers, sanitarians, and hydrologists).